

Realty Stock Review

December 19, 1986 (Priced Dec. 17)

VOL. XVII, NO. 24

MARKET STRATEGY: YEAR ENDING ON SOGGY NOTE IN ACTIVE YEAR FOR NEW ISSUES

The year now ending gave realty stock investors two major choices: seasoned issues or new issues. Investors confront the same two choices every year so it's important to see what happened in each group during 1986 for clues to 1987. We'll include complete details of 1986 offerings in the next issue.

1. Existing issues. Investors can stay with seasoned companies with large market following--in reality a flight to quality. Through this writing investors who stayed with the property REITs, mortgage REITs, major homebuilders, and diversified realty companies during 1986 had gains in double digits with total returns (i.e., appreciation plus income) approaching the 24.0% and 17.2% gains in the Dow-Jones Industrials and S&P 500 thru this date. Investment builders fared less well and realty service/syndication and mobile home makers were decisively in negative territory. Group selection is as important as seasoning.

2. New issues. Investors can go with the new issues because they may offer better growth potential and pricing than older, well-known issues. Wall Street brought 31 new issues during 1986, down a bit from the 33 of 1985. Bottom line results for anyone who bought one share of each new issue in each year, to year-end (or latest

prices) is as follows:

	---1985---		---1986---	
	<u>No.</u>	<u>%Chng.</u>	<u>No.</u>	<u>%Chng.</u>
New REITs.....	27	-10.4%	9	+ 0.5%
New companies..	3	+18.1	11	-12.0
New MLPs.....	<u>3</u>	<u>NA</u>	<u>12</u>	<u>= 0.9</u>
Total.....	33	- 5.8%	32	- 3.3%

The 1986 new issues were much smaller on average (indicating somewhat lower quality and investor enthusiasm), and total dollars raised fell 50% to \$1.52 bil. while average new issue size fell 33% to \$47 mil. (comparisons exclude the \$750 mil. Rockefeller Center Properties offer in 1985), as follows:

	--Raised--		-Avg. Size--	
	<u>Mil.\$</u>	<u>%Chg.</u>	<u>Mil.\$</u>	<u>%Chg.</u>
New REITs.....	\$496.8	-82%	\$55.2	-26%
New companies..	175.8	+114	16.0	-42
New MLPs.....	<u>849.9</u>	<u>+192</u>	<u>70.8</u>	<u>-21</u>
Totals....	\$1,522.5	- 50%	\$47.6	-33%

Existing companies and REITs had an easier time raising new money in 1986 however and their lower capital costs gave them significant advantages. Here's a tally of capital raised by seasoned companies in the two years:

		--Raised--		--Avg. Size--	
<u>Stock</u>	<u>No.</u>	<u>Mil.\$</u>	<u>%Chg.</u>	<u>Mil.\$</u>	<u>%Chg.</u>
REITs....	13	\$587.2	+71%	\$45.2	+71%
Companies	6	83.7	= 4	14.0	-52
Tot.Stk.	19	\$670.9	+56%	\$35.3	+31%

<u>Converts</u>					
REITs....	-	---	-100%	---	--
Companies	11	<u>\$392.0</u>	<u>+106</u>	<u>\$35.6</u>	<u>-25%</u>
Totals.	30	1,062.9	+50%	\$35.4	+10%

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PUBLISHED TWICE MONTHLY ON THE SECOND AND FOURTH FRIDAYS; SUBSCRIPTION \$264 ANNUALLY/GROUP RATES ON REQUEST

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All this suggests that the market is laboring. Broader market averages like the S&P 500 and NYSE Composite haven't followed the Dow-Jones Industrials into new high territory. The Iran arms scandal and prospect of continuing hearings may have crippled President Reagan's leadership more than we had estimated, and fallout from the Boesky scandal has probably broken the bullish trend of thought.

The Tax Reform Act likely will accelerate the trend toward public ownership of real estate as more private owners opt for that route. New REITs were in plus territory in 1986 and secondary offerings by existing REITs rose 3.4% thru today. No other realty stock group has done as well. With a lackluster economic outlook for 1987, we prefer to stay with quality issues.

PORTFOLIO SELECTOR: STOCKS SUITABLE FOR SHAPING HOLDINGS TO YOUR PORTFOLIO GOALS

We list below stocks we believe are currently usable in your portfolio, whatever your specific investment goals. Purchases (or sales) should be made at or near prices obtaining on the publication date, but we are not listing specific buy (or sell) points, so as to avoid conflict with money management clients.

The broad variety of securities included in RSR lets you target your holdings to your investment appetite, from very conservative to very aggressive; from high income to zero income; and from geographic regions and property types you desire. We've listed securities under a number of headings (a security may appear in more than one list) that could fit into any one of several possible investment strategies in today's investment climate. Changes this month are:

--**Cousins Properties**, which will qualify as a REIT in 1987, is added to the Community Builders/Land category. COUS was reviewed Dec. 5. We are also switching **Major Realty** from the Income Property Builders to Community Builders/Land category.

--**Hallwood Group** and **Countrywide Credit Industries** are added to the Financial Services category. Both will be reviewed in January.

GROUP REVIEW: CHEMICAL BANK MOVE INTO TEXAS SIGNALS NEW INTEREST IN SOUTHWEST

Beginning this issue our Portfolio Selector coverage will include brief reviews of an interesting or topical subgroup of companies. Southwestern property companies move front and center with news last week that Chemical New

PORTFOLIO SELECTOR LIST OF REALTY STOCKS FOR CURRENT INVESTMENT

OWNERS BY REGION	DIVERSIFIED PROPS.	Medical	LEASEBACKS - INCOME	AGGRESSIVE RECOVERY
Northeast	Bay Fincl.(9/12/6)	Beverly Inv.(12/20/5)	Beverly Inv.(12/20/5)	Americana Hot(3/28/6)
Federal Rl.(2/28/6)	First Union RE(2/28/6)	Health Care REIT	Health Care REIT	Equitec Financial
Gould LP	HRE Props.(2/14/6)	Health Care Pr.(4/11/6)	Health Care Pr.(4/11/6)	Fairfield Comm(7/25/6)
*New Plan Rlty(12/5/6)	Mortgage Growth(3/14/6)		Meditrust(10/25/5)	Johnstown Amer.(1/10/6)
*Penn. REIT (12/5/6)	Property Cap(11/7/6)		One Liberty Pr.(3/28/6)	Johnstown/Consol.Rlty.
Presidential Rl.(10/24/6)	Rouse Co.(5/9/6)			Pulte Home (8/8/6)
Prudential Rl.(9/13/5)	Santa Fe So.Pac.			Reading Co.(6/13/6)
Rockefeller Ctr(4/11/6)	B.F.Saul REIT (5/9/6)			Southland Finc.(10/10/6)
Washington REIT(4/25/6)				*Southmark Cp.(12/5/6)
Midwest	BY PROPERTY TYPE	ENTREPRENEURIAL OWNERS	TAX-SHELTERED INCOME	BUILDERS/DEVELOPERS
Bradley RET(11/21/6)	Shopping Centers	Federal Rlty(2/28/6)	EQK Green Ac. (8/22/6)	Houses/Mfg.Hsg.
Chicago Dock(10/24/6)	Federal Rlty(2/28/6)	Forest City Ent(7/11/6)	EQK Rlty. (8/22/6)	Calprop(11/21/6)
Duke Rlty. (2/28/6)	First Union RE(2/28/6)	*Koger Co.(5/9 & 12/19/6)	Koger Co./Pr.(4/11/6)	Centex Corp.(9/12/6)
EQK Realty (8/22/6)	Intl. Income Pr.(3/14/6)	*Koger Props.(12/19/6)	LaQuinta LP(11/21/6)	Clayton Homes(10/10/6)
Forest City En.(7/11/6)	*New Plan Rl.(12/5/6)	*New Plan Rl.(12/5/6)	MSA Realty(3/14/6)	Hovnanian Ent(5/23/6)
MSA Realty (3/14/6)	Rouse Co.(5/9/6)	Perini Inv. Prop.	Rock. Ctr. Pr.(4/11/6)	Leisure Tech.(8/8/6)
South/Southwest	*Weingarten Rl.(12/19/6)	Rouse Co. (5/9/6)	*Trammell Crow (12/19/6)	MDC Holdings (8/8/6)
*IRT Prop.(3/14 & 12/19/6)	Western Inv.RE(3/28/6)	MORTGAGES - INCOME	Turner Equity (4/11/6)	Ryland Group
*Koger Co.(5/9 & 12/19/6)	Offices	Fixed-rate	NOTABLE NEWCOMERS	Std. Pacific(8/8/6)
Prop.Tr.Amer.(10/10/6)	HRE Props.(2/14/6)	BRT Realty(10/10/6)	Copley Prop.(7/26/5)	Income Props.
*Trammell Crow(12/19/6)	ICM Prop.Inv.(4/11/6)	Cenvill Inves.(4/11/6)	Lincoln Rl.(12/20/5)	Bay Fincl.(9/12/6)
United Dom.Rl.(10/10/6)	*Koger Co.(5/9 & 12/19/6)	CRI Insur. Mtg.(7/25/6)	Ridgewood Pr.(2/28/6)	*Koger Prop.12/19/6)
*Weingarten Rl(12/19/6)	*Koger Pr.(12/19/6)	Lomas & Net.MI(9/26/6)	*Trammell Crow(12/19/6)	Southland Fin.(10/10/6)
Far West	Property Cap(11/7/6)	Lomas Mtg. Cp(9/13/5)	Del Webb Inv.(8/23/5)	Commun.Bldgs./Land
BankAmer.Rlty(11/7/6)	Prudential Rl(9/13/5)	Strategic Mtg.(3/28/6)	*Weingarten Rl(12/19/6)	Amrep Corp.(9/12/6)
California REIT(4/25/6)	Southland Finc.(10/10/6)	Participating	FINANCIAL SERVICE	*Cousins Prop.(12/5/6)
Copley Props.(7/26/5)	Turner Equity (4/11/6)	L&N Hsg. Corp.(4/11/6)	Ameribanc Inv. Group	Genl. Devel. (8/8/6)
REIT of Calif.(3/28/6)	Hotels/Specl.	Lincoln Rlty.(12/20/5)	Countrywide Credit	Major Realty(11/21/6)
Santa Anita Rl.(4/25/6)	Burger King Inv.(2/28/6)	Mellon Partic. Mtg.	Hallwood Gr.	Newhall Land & Farm.
Western Inv.Tr.(3/28/6)	Hotel Inv.(10/24/6)	Mtg.Invest.Plus(6/13/6)	Lomas & Net.Fin.(9/26/6)	
		Realty South (4/11/6)	Northeastern Mtg. (5/23/6)	
		Rock. Ctr.Pr.(4/11/6)	*Southmark Corp.(12/5/6)	
		Travelers REIT (6/13/6)	Unicorp Amer. (5/9/6)	

* Reviewed in Dec. issues. Additions or changes underlined. # Recent client. Review/comment dates within last year.

York Corp. will pay \$1.2 bil. to buy Texas Commerce Bancshares, Houston to create a \$75 bil. holding company.

Most investors know that plunging oil prices have decimated real estate in the Southwest, with property values plunging 50% or so in many instances. Many hardy "vulture" investors have started looking in the Southwest already, but the major question has been when to start investing. The Chemical Bank move, which won't be final till next spring, is being seen as the first robin of spring, evidence that big money is now comfortable with recovery prospects.

The Chemical deal is interesting because for the first time a \$300 mil. pot of non-performing Texas loans will be spun off into a separate public company. Other bank consolidation is also taking place in Texas: last month we reported that **Lomas & Nettleton Financial** has bought the retail banking units of MCorp., major Dallas bank, and two other Texas giants, RepublicBank Corp. of Dallas agreed to buy troubled Inter-First Corp., also of Dallas, to form a \$40 bil. banking combine.

Shoring up the foundering Texas banking system is the necessary prelude to importing new capital to reverse the business decline. That's why a close look at Southwestern property companies is in order. Herewith brief reviews of our portfolio selections in this area:

IRT Property Co. operating cash flow fell 10.5% to 77¢ in the Sept. nine mon., mainly because returns on \$14 mil. cash holdings fell below real estate returns, and percentage rentals on new properties won't be received until next year. IRT has 12¢ property sale gains in the nine mon. We see operating CFS of about \$1.05/sh. for 1986 and a consensus \$1.10-\$1.15 before gains in 1987. With payout at \$1.28 regular (IRT paid 21¢ special Dec. 1), continued sales of appreciated properties are expected to cover the dividend until operating CFS catches up. IRT is completing purchase of 24 shopping centers with 1.77 mil. SF in N.C. and Ga. for \$60.4 mil. (RSR, Oct. 10); all have Ingles Markets an-

chors. See RSR, Mar. 14, 1986. Long-term buy/hold.

Koger Properties Inc. and Koger Co. are two parts of one of the largest and most successful suburban office park developers in the Southeast and Southwest stretching from Norfolk and Richmond, Va. to El Paso, Tex. **Properties (KOG)** is the land and property developer, and manages **Company (KGR)**, the investment holder of completed and leased buildings.

Properties has just brought several completed buildings to market and occupancy has fallen to 79%. KOG has 15 buildings with 1,175,000 SF under construction (11 for sale to Company, 4 for sale to a joint venture with Morgan Guaranty Trust Co.), and has in inventory 56 buildings with 2.2 mil. SF. KOG sells to its related entities (Company, Morgan or the Koger Partnership) when occupancies reach fixed levels, generally 90%. Income from the sales plus management and development fees support dividends at \$2.60 annual rate. Actual cash flow in the March 1986 year was \$2.54/sh. as computed by KOG and about \$2.70 is seen for FY 1987. KOG competes in many overbuilt markets by building more efficiently than competitors by using prototype designs and tight construction budgets and timetables. A significant portion of tenants are regional sales or distribution offices of national corporations, and 94% of tenants renew or expand when leases expire. Leases average four years and current rents average \$12/SF. KOG acknowledges stiff competition now which may hold rent increases to modest percentages, but intends to do all possible to retain existing tenants. Buy/hold.

Company owns 4.45 mil. SF in 162 buildings in 12 Sunbelt cities ranging from Charlotte and Greensboro, N.C. to El Paso, Tex. Its space is 96% leased and CFS rose 1% in the Sept. nine mon. on more shares outstanding. Payout is at \$2.40 rate. Near-term we expect little near-term growth but KGR could get benefits from lower interest rates. KGR offices historically have outperformed their local markets and as Sunbelt markets recover, KGR should benefit. See RSR, May 9, 1986. Buy/hold.

Trammell Crow Real Estate Investors owns 3.35 mil. SF Sunbelt industrial space plus a 192,000 SF specialty retail center in Denver. About 45% of industrial space is in Dallas or Houston, the rest widely diversified in Baltimore, Charlotte, Ft. Lauderdale, Los Angeles, Milwaukee, Minneapolis, and Seattle. TCR is a play on growth in industrial space, whose occupancy has held up well (about 95% nationally) amid office overbuilding. About 29% of space was initially supported by developers' leases from the Trammell Crow Co. partnerships selling their properties to TCR, and this support level is now down to about 20%. Developers' leases run thru June 1989 for the Houston properties (787,000 SF or 82% of all lease support) and thru Dec. 1987 for the remainder. These lease supports have kept TCR revenues and cash flow on projection targets for 1986, and TCR should have and pay out about \$1.40/sh. cash. About 69% will be taxfree return of capital arising from amortization of discount on \$179.7 mil. zero coupon notes due Nov. 1997 (see "The Tax Shelter that Got Away, RSR, Aug. 22, 1986). A modest rise to \$1.44-\$1.46 is probable in 1987. Buy/hold.

Weingarten Realty is a quality holding because of its experienced development, management and leasing staff. Formed over 30 years ago, WRI converted to REIT status late in 1985. WRI limits risk by beginning new centers only when it has an anchor tenant committed for half the space. Shopping centers with advance commitments have outperformed the Houston market by about 10% occupancy points in recent years. Its 6.9 mil. SF shopping centers are 95% leased at Sept. 30. While we expect only modest dividend growth of about 2.5% to \$1.60 the next year, WRI is a strong buy/hold longer-term. See RSR, Nov. 21.

United Dominion Realty Trust was reviewed briefly Oct. 10. It sold 1.5 mil. new shs. last week at \$15.25/sh. to raise \$22.9 mil. for expansion. Slippage in renovating apartments, which caused a cash flow dip early this year, seems behind. The 96¢ dividend will hold. **Property Trust of America**, also reviewed Oct. 10, is likely to cut its

payout to the 96¢-\$1.00 range but the market seems to be expecting this. Better, PTRAS' retail properties continue doing well and its San Francisco hotel leaseback is coming back strongly. Hold longer term.

RANKING CHANGES: RANKINGS CUT ONE NOTCH FOR FOUR SMALLER COMPANIES AND REITS

Rankings are reduced from B to C for:

American Community Developers, Inc. (formerly Cheezem Development Corp.) because of continuing losses and falling sales.

First Continental REIT, Houston based construction lending REIT, omitted its dividend in reaction to homebuilding distress in Houston, its main market.

Johnstown American Cos. has hit an earnings air pocket due to falling volume and non-cash charges associated with July 1985 acquisition of Consolidated Capital Equities, a West Coast syndicator. JAC will be reviewed next issue.

Sunlite Inc., a former REIT taking some licks after diversifying into oil.

NEW LISTINGS IN RSR: NEW INCOME MLP, HEALTH CARE REIT AND MORTGAGE BANKER

CalFed Income Partners L.P. came public Nov. 20 by selling 11.0 mil. limited partnership units at \$10. Units listed on the NYSE under CFI symbol. It is sponsored by CalFed Inc., holding company for the fourth largest S&L with \$19 bil. assets. We are adding CFI to Group 7 -Income properties.

EPS/Dividends: CFI has no operating history but intends paying distributions of 10% on offering price. Dividends are expected to be substantially tax sheltered as capital return because of depreciation and accrued interest on a zero coupon mortgage on one property. CFI does not intend to distribute losses.

Assets and Operations: CFI will pay \$70.75 mil. (\$37.5 mil. equity over \$33.25 mil. debt) for four properties previously inventoried by CalFed. Purchase price is about 98.5% of appraised value and includes \$3.95 mil. (about 5.9%) fee to the sponsors for securing options to acquire the properties. The

four: (1) Governor's Point, 468-DU apartment in the Atlanta suburb of Roswell, Ga., nearing completion; (2) three office buildings with 109,500 SF in Pleasanton, Cal. east of Oakland; (3) 117,000 SF specialty shopping center in Laguna Hills, Cal.; and 269,550 SF specialty shopping center in El Toro, Cal. south of Los Angeles. Remaining proceeds will be warehoused in \$72.5 mil. of CalFed mortgages until additional properties become available. The CalFed unit acting as general partner will work with an investment committee of independent persons in selection.

Financial Measures: CFI will start with \$45.3 mil. debt (including \$16 mil. zero coupon mortgage), or debt 0.4 times \$102 mil. equity or \$9.28/unit. **Address:** 5670 Wilshire, Suite 2200, Los Angeles, Cal. 90036. Ph: 213/932-4196.

Health and Rehabilitation Properties Trust sold 2,737,500 shs. at \$20 Dec. 17. Sponsors Greenery Rehabilitation Group Inc. and Continuing Health Care Corp. purchased an additional 680,000 shs. Shs. listed NYSE under HRP symbol. We are adding them to Group 2-Combination REITs.

EPS/Dividends: HRP intends paying dividends equaling 10% on offering price. Payout would be taxable income.

Assets and Operations: HRP will split proceeds about equally between mortgages and leasebacks as follows:

(1) \$21.5 mil. in first mortgages on two skilled nursing and intermediate care facilities with 321 beds in Beverly and Worcester, MA, operated by Greenery;

(2) \$9.75 mil. first mortgages on two community re-entry/retraining facilities with 130 beds in Ossipee, NH and Benton, Ark. and operated by Continuing Health; and

(3) \$32 mil. to acquire three skilled nursing and intermediate care facilities with 480 beds in Wallingford, Waterbury and Bristol, CT for leaseback to Continuing Health.

Sponsors: Greenery is a public company whose shares trade OTC. Continuing Health is privately owned by Charles Brennick, Alton, NH. Advisor is HRPT Advisors, owned by two Greenery officers. **Address:** 215 First St., Cambridge, Ma. Phone: 617/661-3112.

Farragut Mortgage Co., Inc. came public Nov. 20 with sale of 1 mil. shs. (or 20%) at \$6.00. Shares trade OTC under NASDAQ symbol FARR. We are ranking shares C initially and add them to Group 8 - Mortgage Banker.

EPS/Dividends - C: FARR earned 26¢ in its April 1986 year, vs. loss the previous 12 mon. July qtr. EPS rose 400% to 15¢. FARR was organized in 1982 and acquired in Dec. 1984 by Merchants-Bank of Boston, 25th largest thrift in Mass. No dividends are paid.

Assets and Operations: FARR originated \$148 mil. conventional mortgages in fiscal 1986 and \$359 mil. in the six mon. thru Oct. It services \$773 mil. loans at Oct. 31. It has nine offices and plans another 2-4 offices this year. **Address:** 135 Beaver St., Waltham, Mass. 02154. Phone: 617/894-6200.

APPRAISED ASSET VALUE COMPARISONS

	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
BANKAMER REALTY	7/86	\$34.50a	-11.6%
EQK RLTY INV I	12/85	\$19.10	-22.1%
FIRST UNION RE#	12/85	\$23.37	8.0%
INTL INCOME PR#	12/85	\$13.55	-1.3%
LANDSING INST V	6/85	\$ 9.26	-48.7%
NATL CAPITAL RE	12/85	\$ 5.14	-63.5%
NEW PLAN RLY TR#	7/86	\$14.01	-1.9%
PRU RL CAPITAL	12/85	\$ 1.66	-24.7%
SANTA ANITA	12/85	\$25.96	16.0%
SIERRA RE EQ82#	12/85	\$10.63	-5.9%
SIERRA RE EQ83#	12/85	\$10.98	-8.9%
SIERRA RE EQ84#	12/85	\$ 8.78	2.5%
USP RL EST INV#	12/85	\$13.44	-34.9%
WELLS FARGO M&E	6/86	\$30.22a	-9.8%
AVERAGE			-14.8%
OPERATING COMPANIES			
BAY FINCL CORP	5/86	\$45.20	-44.4%
BENEQUITY HLDGS	12/85	\$28.98	-14.6%
FAIRFIELD COMM	2/86	\$19.58	-58.5%
KOGER CO#	9/86	\$23.60	29.8%
NEWHALL INV PROP	6/86	\$17.88	-48.3%
NEWHALL LAND	12/85	\$25.68	28.0%
PERINI INV PR#	9/86	\$18.88	-33.1%
ROUSE CO#	12/85	\$30.12	4.6%
SAUL (BF) REIT#	9/85	\$25.54	-36.4%
SOUTHWEST RLTY#	12/85	\$16.68	-83.5%
UNICORP AMER	12/85	\$17.70	-30.1%
AVERAGE			-26.0%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: Koger Co. values set by independent appraisers; New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages.

RANK	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE DEC 03	FROM-- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$
D	AMERICANA HOTEL	NY-AHR	2	5787	15.51	0.00	SEP	-2.28	10.50	-2.3	0.0	0.0	60.8
A	BANKAMER REALTY	NY-BRE	2	7860	17.74	2.40	SEP	4.05	30.50	-2.0	17.3	7.9	239.7
A	BEVERLY INV PROP#	NY-BIP	1	8195	19.27	2.45	SEP	2.18	24.50	-5.8	28.9	11.2	200.8
A	BRADLEY RL EST	OC-BRLY	1	2240	3.01	1.00	AUG	0.58	16.75	1.5	24.1	28.9	37.5
B	BRT REALTY	AS-BRT	3	3192	11.29	1.68	SEP	1.75	14.75X	0.3	96.7	8.4	47.1
B	B-CALIF JOCKEY CLUB	AS-CJ	1	4762	1.94	1.30	SEP	0.87	20.00	-16.2	-25.9	6.5	95.2
B	CALIFORNIA REI	NY-CT	1	4851	9.05	1.28	SEP	1.07	11.63X	-1.5	-1.1	10.9	56.4
C	CENTRAL REALTY	OC-CMRT	2	1715	0.64	0.00	SEP	-0.13	0.50	0.0	-20.0	0.0	0.9
C	CENVILL INVSTR	NY-CVI	2	7007	13.06	2.00	SEP	-0.28	19.25	2.7	13.2	9.3	134.9
B	CHICAGO DOCK&CANL	OC-DOCKS	1	5784	5.94	0.24	JUL	0.99	22.00	-3.3	10.0	22.2	127.2
B	CLEVELAND RLY#	OC-CTRS	2	1998	18.59	1.40	SEP	0.70	12.63X	-2.1	-25.7	18.0	25.2
C	COMMONWLT RLY#	OC-CRTYZ	1	1468	9.80	0.00	MAY	1.76	12.00	2.1	9.1	6.8	17.6
F	F-CONSOL CAP INCOME	OC-CCITS	2	13358	18.56	2.40	SEP	0.22	12.38X	-2.3	-16.8	56.3	165.3
B	F-CONSOL CAP RLY#	OC-CCPLS	2	5966	8.94	0.00	AUG	0.43	4.00	-5.9	-67.3	9.3	23.9
F	F-CONSOL CAP SPECT	OC-CCSTS	2	12293	16.17	2.16	SEP	-0.25	8.00X	-16.1	-36.0	0.0	98.3
F	F-COPLEY PROPS	AS-COP	2	4008	18.62	1.66	SEP	1.40	19.38	-0.6	14.8	13.8	77.7
F	F-COUNTRYWIDE MTC	AS-CWM	3	7685	11.55	1.92	SEP	2.13	17.75	1.4	71.1	8.3	136.4
F	F-CPL REIT	OC-CNTRS	1	1737	8.87	1.08	---	0.00	9.50	2.7	-5.0	10.0	16.5
F	F-CRI INS MTC II	NY-CII	3	8536	19.09	1.70	SEP	1.67	20.13	0.0	0.6	12.1	171.8
B	DEL-VAL FINCL	AS-DVL	3	3105	9.56	1.74	SEP	1.82	19.38X	-1.2	19.2	10.6	60.2
B	F-DUKE RLY-CAPITAL	NY-DRE	1	7520	0.86	0.00	---	0.00	1.25	11.1	-37.5	0.0	9.4
F	F-DUKE RLY-INCOME#	NY-DREPR	1	7520	8.00	0.84	SEP	0.83	8.38	4.7	4.7	10.1	4.7
A	EASTGROUP PROPS	AS-EGP	1	2655	19.85	2.90	AUG	3.25	28.50	-6.6	-12.6	8.8	75.7
B	EASTOVER CORP	OC-EASTS	2	1258	14.35	2.00	SEP	1.40	18.25X	-1.3	-12.6	13.0	23.0
F	F-EQK RLY INV I	NY-EKR	1	7589	15.65	1.66	SEP	0.54	14.88X	-1.4	-14.4	27.5	112.9
A	FEDERAL REALTY#	NY-FRT	1	11649	8.95	1.08	SEP	2.03	20.25	-0.6	20.0	10.0	235.9
C	FIRST CONTNLT REIT	OC-FCRES	3	4103	6.92	0.00	NOV	-2.56	2.63	-8.7	-56.3	0.0	10.8
A	FIRST UNION RE#	NY-FUR	1	18109	8.84	1.50	SEP	1.48	25.25	-1.9	43.6	17.1	457.3
F	F-GOLDEN CORAL #	OC-GCRA	1	1480	9.24	1.25	SEP	1.25	12.25	4.3	4.3	9.8	18.1
F	F-GROUPS REIT	OC-GRIT	4	2500	9.06	0.88	SEP	0.74	8.63	-1.4	11.3	11.7	21.6
*	GUILD MTC INVSTMT	AS-GUM	3	2770	9.26	1.25	SEP	1.20	11.50X	14.5	15.0	9.6	31.9
*	HARRIS-TEETER PRP	AS-HTP	2	2320	9.05	0.96	---	0.00	10.88	2.4	8.8	0.0	25.2
*	HEALTH CARE PR#	NY-HCP	1	8145	20.74	2.36	SEP	2.38	27.25	-6.4	30.5	11.4	222.0
A	HEALTH CARE REIT	AS-HCN	3	5464	11.46	1.56	SEP	1.57	16.13	0.8	10.3	10.3	88.1
*	HEALTHVEST #	AS-HVT	1	6014	19.27	2.20	SEP	2.20	21.00	-6.1	5.0	9.5	126.3
*	HLTH & REHAB PROP	NY-HRP	2	3418	18.40	0.00	---	0.00	20.00	0.0	0.0	0.0	68.4
C	HMG PROP INV	AS-HMG	1	1212	16.63	0.60	SEP	0.87	9.38X	-1.0	-15.7	10.8	11.4
B	P-HOLLYWOOD PK RLY	OC-HTRFZ	1	3824	7.73	1.60	SEP	0.62	27.00	0.0	35.0	43.5	103.2
B	P-HOTEL INVESTORS#	NY-HOT	1	10652	18.03	2.00	JUL	1.78	22.25	-1.1	7.2	12.5	237.0
A	HRE PROPERTIES	NY-HRE	1	5913	23.57	2.28	JUL	1.89	26.25	1.0	7.1	13.9	155.2
*	ICM PROP INVSTR	NY-ICM	2	5761	18.27	1.40	SEP	0.88	14.50	0.0	-1.7	16.5	83.5
A	INTEL INCOME PR#	AS-IIP	1	11318	9.60	1.00	SEP	0.64	13.38	-1.8	23.0	20.9	151.4
*	INVG MTC SECS @	OC-INVG	3	682	31.56	2.00	SEP	2.99	10.75	-20.4	-62.9	3.6	7.3
A	IRT PROPERTY CO#	NY-IRT	2	8000	9.86	1.49	SEP	1.18	16.88	-1.5	29.8	14.3	135.0
B	JMB REALTY	OC-JMBRS	2	1423	17.11	1.64	AUG	1.84	17.50	-1.4	6.1	9.5	10.8
F	F-JOHNSTN/CONS RLY	NY-JCT	2	12280	16.44	1.70	SEP	0.42	11.38X	-6.0	-24.2	27.1	239.9
A	L&N HOUSING	NY-LNC	4	2200	23.57	1.96	SEP	2.29	25.75	10.2	-18.3	11.2	56.7
*	F-LANDSING INST V	OC-LANVS	2	5680	8.46	0.60	SEP	0.29	4.75	-5.0	-51.3	16.4	27.0
*	LINCOLN NC RL FND	AS-LRF	2	1998	13.39	1.48	SEP	1.16	13.88	-1.8	1.8	12.0	27.7
F	F-LINPRO SPED PRP#	AS-LPO	1	1856	9.23	1.05	SEP	1.05	10.13	-1.2	1.3	9.6	18.8
A	LOMAS & NET MTC	NY-LOM	3	11625	23.53	2.68	SEP	2.58	30.63	-1.6	16.7	11.9	356.0
*	LOMAS MTC CORP	NY-LMC	3	5600	18.55	2.32	SEP	2.13	26.13X	2.2	29.0	12.3	146.3
*	MEDITRUST #	OC-MTRUS	1	7147	23.08	2.46	SEP	2.24	26.50	-4.5	35.9	11.8	189.4
*	MELLON PART MTC	OC-MPMTS	4	8645	9.38	1.08	SEP	1.08	11.00	1.1	25.7	10.2	95.1
B	MONY RL EST INV	NY-MYM	2	10252	9.56	0.88	NOV	0.68	10.88	0.0	22.5	16.0	111.5
A	MORTGAGE GROWTH	AS-MTG	2	7578	15.92	1.60	AUG	1.62	21.50	0.6	22.9	13.3	162.9
A	MSA REALTY CORP	AS-SSS	1	4986	8.89	1.00	SEP	0.61	10.63	-1.2	21.4	17.4	53.0
A	MTG & RLY TRUST	NY-MRT	3	8155	15.84	1.87	SEP	2.13	22.88	0.5	28.0	10.7	186.5
C	MTG INVSTMS PLUS	AS-MIP	4	9020	9.01	0.80	SEP	0.77	7.75	0.0	-10.1	10.1	69.9
C	NATL CAPITAL RE	OC-NCETS	1	3645	2.76	0.00	JUN	-1.29	1.88	0.0	-42.3	0.0	6.8
A	NEW PLAN RLY TR#	NY-NPR	1	20669	5.06	0.80	JUL	0.81	13.75X	-3.8	24.1	17.0	284.2
F	F-NOONEY RLY TR#	OC-NRTI	1	867	17.18	0.80	SEP	1.43	15.25X	1.3	-23.8	10.7	13.2
B	ONE LIBERTY PR#	AS-OLP	1	2113	14.36	1.72	SEP	1.63	16.13	0.0	9.3	9.9	34.1
*	PAINWEER RES RLY	AS-PWM	3	6058	9.36	1.00	SEP	0.92	9.38X	-4.7	-6.3	10.2	56.8
A	PENN REIT#	AS-PEI	1	5427	15.12	2.10	AUG	2.42	31.88	-3.0	21.4	13.2	173.0
B	PITTS & WVA RR	AS-PW	1	1510	6.07	0.56	SEP	0.56	6.38X	2.2	18.6	11.4	9.6
B	PRESIDENT RL-A#	AS-PDLA	2	479	2.66	1.20	JUN	1.58	13.50X	-1.4	-22.3	8.5	6.5
B	PRESIDENT RL-B#	AS-PDLB	2	2786	2.66	1.20	JUN	1.58	12.50X	-0.6	-1.0	7.9	34.8
A	PROPERTY CAPITAL	AS-PCT	2	9012	11.86	1.68	OCT	1.89	24.25	-1.0	20.5	12.8	218.5
A	PROPERTY TR AMER#	OC-PTRAS	1	5062	10.73	1.20	SEP	1.17	9.38	-9.6	-15.7	8.0	47.5
F	F-PRU RL CAPITAL	NY-PRT	1	11135	1.08	0.00	---	0.00	1.25	-16.7	-28.6	0.0	13.9
F	F-PRU RL INCOME #	NY-PRTPR	1	11135	8.00	0.60	JUN	0.72	7.38	-3.3	-3.3	10.2	82.1
F	F-RAINIER RLY	OC-RRETS	2	3470	9.40	1.00	SEP	0.99	8.00	1.6	-4.5	8.1	27.8
C	REALTY REFUND	NY-RFP	3	1021	18.30	1.46	OCT	1.13	16.50	-2.2	20.0	14.6	16.8
C	REALTY SOUTH	AS-RSI	4	1111	18.02	1.60	SEP	1.86	18.50	1.4	12.1	9.9	20.6
A	REIT OF CALIF#	OC-REITS	1	5822	11.07	1.28	JUN	1.27	18.00	4.3	26.3	14.2	104.8
F	F-RES PENSION 1	OC-RPSAS	4	5481	9.46	1.08	DEC	1.60	11.75	-2.1	0.0	7.3	64.4
F	F-RES PENSION 2	OC-RPSBS	4	8893	8.89	0.96	DEC	0.78	9.50	-2.6	-17.4	12.2	88.5
*	RES PENSION 3	OC-RPSCS	4	8635	8.94	0.80	DEC	0.66	8.00	-3.0	-17.9	12.1	69.1
*	RESIDENTIAL MTC	AS-RMI	3	4220	9.24	0.96	JUN	0.98	9.75X	3.8	-2.5	9.9	41.1
*	ROCK CTR PROPS #	NY-RCP	4	37510	18.12	1.76	SEP	1.82	21.25	1.2	14.1	11.7	797.1
A	P-SANTA ANITA	NY-SAR	1	8304	8.08	2.04	SEP	1.63	30.13	-0.4	28.2	18.5	250.2
F	F-SIERA CAP RLY IV#	OC-SETD	1	7502	8.48	0.65	JUN	0.44	8.75	-2.8	-12.5	19.9	65.6
F	F-SIERA RE EQ82#	OC-N/A	1	1586	6.71	0.70	JUN	0.32	10.00	0.0	-11.1	31.3	15.9
F	F-SIERA RE EQ83#	OC-SETBS	1	3042	7.88	0.65	JUN	0.47	10.00	-2.4	-2.4	21.3	30.4
F	F-SIERA RE EQ84#	OC-SETC	1	4886	7.84	0.60	JUN	0.30	9.00	0.0	-2.7	30.0	44.0
C	STORAGE EQUITIES	NY-SEQ	1	9983	15.76	1.40	SEP	1.42	15.75	0.0	-13.7	11.1	157.2
*	STRATEGIC MTC	NY-STM	3	5465	19.09	2.40	SEP	2.27	22.75	-1.1	22.1	10.0	124.3
F	F-TRAML CROW REIT	NY-TCR	1	9075	13.45	1.40	SEP	1.40	14.88	-0.8	11.2	10.6	135.0
F	F-TRAVELERS REIT	OC-TRATS	4	2523	9.44	1.04	SEP	1.08	9.25	-14.9	-6.3	8.6	23.3
F	F-TRAVELERS RLY INC	OC-TRIIS	4	2261	18.78	1.60	SEP	1.70	16.38	-0.8	4.0	9.6	37.0
B	TURNER EQUITY#	AS-TEQ	1	5067	8.47	0.80	SEP	0.79	8.00X	2.5	-4.5	10.1	40.5
B	USP RL EST INV#	OC-USPTS	1	2500	8.17	1.75	SEP	1.65	8.75	2.9	-20.5	5.3	21.9
A	UTD DOMIN RLY#	OC-UDRT	1	4213	10.15	0.96	SEP	1.05	15.50	0.0	15.9	14.8	65.3
F	F-VMS HOTEL INVSTMT	AS-VHT	4	9863	8.77	0.60	SEP	0.60	7.38	-4.8	-26.3	12.3	72.7
F	F-VMS S/T INCOME	AS-VST	3	6917	9.21	1.04	SEP	1.12	8.38	-5.6	-16.3	7.5	57.9
A	WASH RE (WRIT)#	AS-WRE	1	9182	8.92	1.28	SEP	1.72	22.38	-2.7	20.1	13.0	205.4
F	F-WEBB INV PROP #	AS-DWP.A	1	2224	9.19	0.70	JUN	0.72	7.00	-3.4	-9.7	9.7</	

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RANK	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE DEC 03	FROM- JAN 1	F/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$	
C	ABRAMS INDS INC	OC-ABRI 9	1786	8.50	0.24 ← OCT	0.39 ↑	8.25X	7.2	43.5	21.2	2.9	-2.9	4.6	14.7
C	AMER COMMUNITY DEV	OC-ACDG 6	3020	5.57	0.00 JUL	-1.92	1.00	14.3	-77.1	0.0	0.0	-82.0	-34.5	3.0
* C	LP-AMER INSURED MTC	OC-AIMAZ 8	10000	19.53	1.60 JUN	1.67	20.25	2.5	6.6	12.1	7.9	3.7	8.6	202.5
C	AMER PACESETTER	PS-AECP 9	1465	11.68	0.00 SEP	0.80 ↑	13.38	-3.6	81.4	16.7	0.0	14.5	6.8	19.6
C	AMERIBANC INV CP	OC-AINVS 9	3816	8.50	0.00 SEP	1.35	8.50	0.0	-4.2	6.3	0.0	0.0	15.9	32.4
C	AMERICAN REALTY	AS-ARB 7	9684	10.19	2.50 JUN	0.47	6.38X	-5.3	-19.0	13.6	39.2	-37.4	4.6	61.7
C	AMREP CORP	NY-AXR 6	6593	8.64	0.00 OCT	1.29 ↓	12.50	-13.8	-19.4	9.7	0.0	44.7	14.9	82.4
C	ANGELES CORP	AS-ANG 10	3481	4.96	0.00 SEP	-0.45	7.88	-13.7	-3.1	0.0	0.0	58.8	-9.1	27.4
* C	LP-ANGELES FINC PTRS	AS-ANF 8	1051	18.29	1.78 ↓ JUN	1.90	17.50	-2.8	3.7	9.2	10.2	-4.3	10.4	18.4
B	BAY FINCL CORP	NY-BAY 7	3351	18.84\$	0.20 ← AUG	1.27	25.13	-6.5	-11.8	19.8	0.8	33.4	6.7	84.2
C	BEI HOLDINGS	OC-BEIH 9	10320	3.69	0.00 JUL	-0.21	9.50	-7.3	11.8	0.0	0.0	157.5	-5.7	98.0
C	LP-BENEQUITY HLDGS	NY-BH 7	5746	7.87\$	1.20 SEP	1.41	24.75	4.2	27.7	17.6	4.8	214.5	17.9	142.2
D	BRITISH LAND AMER	NY-BLA 7	17971	2.13	0.00 SEP	-1.76	3.00	-4.0	-27.3	0.0	0.0	40.8	-82.6	53.9
* C	LP-BURGER KING INV	NY-BKP 7	4635	18.90	1.88 SEP	1.52	20.63	-1.2	3.1	13.6	9.1	9.1	8.0	95.6
* C	LP-CAL FED INC PTRNS	NY-CFI 7	11000	9.28	0.00 ---	0.00	10.00	0.0	0.0	0.0	0.0	7.8	0.0	110.0
C	CALPROP CORP	AS-CPP 6	3439	8.33	0.00 SEP	0.79	7.75	-11.4	1.8	9.8	0.0	-7.0	9.5	26.7
C	CALTON INC	NY-CN 6	18000	1.69	0.00 AUG	0.41	5.50	15.8	-26.7	13.4	0.0	225.4	24.3	99.0
C	CASTLE & COOKE	NY-CKE 9	41655	9.67	0.00 SEP	-0.70 ↑	19.00	-4.4	46.2	0.0	0.0	96.5	-7.2	791.4
C	CENTENNIAL GROUP	AS-CEG 6	1421	8.78	0.00 JUN	0.23	7.50	-18.9	-20.0	32.6	0.0	-14.6	2.6	10.7
A	CENTEX CORP	NY-CTX 5	17899	19.06	0.25 SEP	2.79	34.13X	-4.7	34.5	12.2	0.7	79.0	14.6	610.8
C	CHAMPION HOME	AS-CHB 11	35966	1.48	0.00 AUG	-0.10	1.50	9.1	-25.0	0.0	0.0	1.4	-6.8	53.9
D	CHRISTIANA COS	NY-CST 6	2406	8.22	0.00 SEP	0.26	5.13	-6.8	-39.7	19.7	0.0	-37.7	3.2	12.3
C	CITIZENS GROWTH	OC-CITGS 9	523	16.09	0.48 JUL	0.95	14.50	1.8	-3.3	15.3	3.3	-9.9	5.9	7.6
B	CLAYTON HOMES	NY-CMH 11	10263	5.02	0.00 SEP	0.81	12.25	-5.8	-6.5	15.1	0.0	144.0	16.1	125.7
* C	LP-CMNWLTH MTC AM-A	NY-CMA 8	35000	2.12	1.00 JUN	0.24	9.88	0.0	-1.3	41.1	10.1	365.8	11.3	345.6
C	COMMONWLT MTC CO	OC-CMCC 8	6220	3.16	0.00 OCT	0.94	8.88	-7.8	-11.3	9.4	0.0	180.9	29.7	55.2
B	CONGRESS ST PROPS	OC-CSTP 9	1272	12.14	0.00 AUG	0.49 ↓	10.00	-4.8	-31.0	20.4	0.0	-17.6	4.0	12.7
C	COUNTRYWIDE CRDIT	NY-CCR 8	11994	2.79	0.28 NOV	1.00 ↑	13.38X	6.5	137.3	13.4	2.1	379.4	35.8	160.4
A	COUSINS PROPS	OC-COUS 9	11436	4.93	0.32 JUN	1.57	19.75	-1.3	48.1	12.6	1.6	300.6	31.8	225.9
E	COVINGTON TECH	OC-COVT 6	13892	0.51	0.00 SEP	-0.30	0.75	-14.3	20.0	0.0	0.0	47.1	-58.8	10.4
D	LP-CRI INS MTC INV	NY-CRM 8	9100	18.22	2.14 ↓ SEP	2.26	23.50	2.2	9.9	10.4	9.1	29.0	12.4	213.9
B	DELTONA CORP	NY-DLT 6	5574	4.51	0.00 SEP	1.58	5.00	-7.0	-29.8	3.2	0.0	10.9	35.0	27.9
C	DEVEL CORP AMER	AS-DCA 6	5942	14.06	0.00 SEP	0.67	14.75	-0.8	-4.1	22.0	0.0	4.9	4.8	87.6
B	DISNEY (WALT)	NY-DIS 9	130594	10.24	0.32 ← SEP	1.82	45.13	0.3	59.9	24.8	0.7	340.7	17.8	5893.1
* A	LP-EQK GRN ACRES LP#	NY-EGA 7	10173	9.30	0.94 SEP	0.88	10.50	0.0	5.0	11.9	9.0	12.9	9.5	106.8
C	EQITECH FNCL GP	NY-EGF 10	4916	5.33	0.16 ← OCT	0.49 ↓	6.63	-14.5	-31.2	13.5	2.4	24.3	9.2	32.6
B	FAIRFIELD COMM	NY-FCI 6	10640	11.26\$	0.20 AUG	0.48	8.13	-3.0	-39.3	16.9	2.5	-27.8	4.3	86.5
C	FARRAGUT MTC. CO.	OC-FARR 8	5000	1.53	0.00 JUL	0.38	6.38	6.3	6.3	16.8	0.0	316.7	24.8	31.9
C	FED NATL MTC	NY-FNM 8	73415	18.68	0.32 SEP	2.10	39.38	1.6	52.2	18.8	0.8	110.8	11.2	2890.7
A	FIRST CAROLINA	OC-FCARS 9	833	29.61	0.50 SEP	5.04	29.50	0.0	18.0	5.9	1.7	-0.4	17.0	24.6
B	FLEETWOOD ENTER	NY-FLE 11	23307	12.37	0.52 ← OCT	1.51 ↓	24.75	0.0	1.5	16.4	2.1	100.1	12.2	576.8
B	FOREST CITY-A#	AS-FCE-A 7	4053	18.57	0.30 ← APR	2.20	30.88	0.4	18.8	14.0	1.0	66.3	11.8	125.1
B	FOREST CITY-B#	AS-FCE-B 7	3896	18.57	0.30 ↑ APR	2.20	30.63	0.0	18.9	13.9	1.0	64.9	11.8	119.3
D	FFA CORP	AS-FPO 6	3995	11.87	0.00 SEP	-0.36	10.00	-12.1	-4.8	0.0	0.0	-15.8	-3.0	40.0
C	GEMCRAFT INC	OC-GEHM 6	5138	2.72	0.00 SEP	1.23	6.25	8.7	-31.5	5.1	0.0	129.8	45.2	32.1
B	GENERAL DEVLPMNT	NY-GDV 5	10500	14.44	0.00 SEP	2.98	18.75	0.0	21.0	6.3	0.0	29.8	20.6	196.9
C	GENERAL HOMES	NY-GHO 5	15009	10.21	0.00 SEP	1.17	7.00	-1.8	19.1	6.0	0.0	-31.4	11.5	105.1
A	LP-GOULD INVSTRS LP	AS-GLP 7	1515	5.66	0.00 JUN	1.05	39.75	-0.6	55.9	37.9	0.0	602.3	18.6	60.2
C	GREAT AMER M&I	OC-GAMI 8	6525	17.54	0.00 OCT	-0.01 ↓	17.25	0.0	11.3	0.0	0.0	-1.7	-0.1	112.6
B	GRUBB & ELLIS	NY-GEB 10	15237	5.20	0.08 ← SEP	0.01	5.25	-2.3	-46.2	525.0	1.5	1.0	0.2	80.0
B	HALLWOOD GROUP	NY-HWC 9	4555	16.15	1.12 ← OCT	2.01 ↓	19.50	-6.0	11.4	9.7	5.7	20.7	12.4	88.8
C	HAMMOND CO	OC-THCO 8	2117	4.51	0.00 SEP	0.31	5.00	-16.7	25.0	16.1	0.0	10.9	6.9	10.6
D	HOMAC INC	OC-HOMC 6	2675	5.33	0.00 JUN	-1.23	3.00	-4.0	0.0	0.0	0.0	-43.7	-23.1	8.0
C	HOVNANIAN ENTR	AS-HOV 6	10562	4.75	0.00 AUG	1.35	18.75	-1.3	151.8	13.9	0.0	294.7	28.4	198.0
D	INDIANA FNCL INV	OC-IFII 7	974	9.28	0.00 SEP	0.84 ↓	6.00	0.0	37.1	7.1	0.0	-35.3	9.1	5.8
C	INTEGRATED RESC	NY-IRE 10	7603	18.36	0.00 SEP	-1.64	21.88	0.6	-11.6	0.0	0.0	19.1	-8.9	166.3
C	INTERGROUP CORP	OC-INTG 7	1201	13.24	0.00 DEC	0.95	11.00	0.0	2.3	11.6	0.0	-16.9	7.2	13.2
* C	INTL AMER HOMES	OC-HOME 6	7652	2.78	0.00 SEP	0.27	3.63	-12.1	-23.7	13.4	0.0	30.4	9.7	27.7
C	JOHNSTOWN AMER-A	AS-JAC 10	8435	2.87	0.00 AUG	0.17	2.88	-11.5	-53.1	16.9	0.0	0.2	5.9	24.3
C	K&B HOME CORP	NY-KBH 5	27000	5.34	0.20 AUG	1.03	11.00	14.3	-8.3	10.7	1.8	106.0	19.3	297.0
B	KAUFMAN & BROAD	NY-KB 9	9879	12.37	0.33 AUG	2.23	18.25	4.3	62.2	8.2	1.8	47.5	18.0	180.3
C	KNUTSON MTCG CORP	OC-KNMC 8	13825	3.04	0.00 SEP	1.76	9.13	-1.4	-8.8	5.2	0.0	200.2	57.9	126.2
A	ROGER CO#	AS-KGR 7	10776	13.39\$	2.40 JUN	1.43	30.63	1.2	21.3	21.4	7.8	128.7	10.7	330.0
A	ROGER PROPS#	NY-KOG 7	9520	8.20	2.60 JUN	2.00	32.00	4.1	23.1	16.0	0.0	290.2	24.4	304.6
* C	LP-LA QUINTA MTR INN	NY-LQP 7	3975	18.08	2.00 AUG	2.00	18.38	-5.2	-8.1	9.2	10.9	1.6	11.1	73.0
C	LANDMARK LAND	AS-LML 9	7976	9.78	0.40 SEP	1.26	18.75	-0.7	-10.7	14.9	2.1	91.7	12.9	149.6
C	LEISURE+TECH	AS-LVX 6	3794	2.37	0.00 SEP	-0.17	5.38	2.4	-21.8	0.0	0.0	126.8	-7.2	20.4
B	LENNAR CORP	NY-LEN 5	8684	16.97	0.20 AUG	1.23	19.00	7.8	50.5	15.4	1.1	12.0	7.2	165.0
C	LEVITT CORP	AS-LVT 6	3400	6.81	0.00 SEP	0.39	10.38	-17.0	80.4	25.6	0.0	52.3	5.7	35.3
* C	LOAN AMER FNCL-B	OC-LAPCB 8	1986	6.08	0.00 SEP	0.82	11.63	19.2	-7.0	14.2	0.0	91.2	13.5	23.1
A	LOMAS & NET FINC	NY-LNF 8	28946	11.61	1.09 SEP	2.19	26.50	-6.2	8.2	12.1	4.1	128.3	18.9	767.1
C	M/I SCHOENSTN RMS	OC-MHO 6	5800	1.41	0.00 SEP	0.62	5.88	2.2	-9.6	9.5	0.0	316.7	44.0	34.1
C	MAJOR REALTY	OC-MAJR 6	6024	1.13	0.00 SEP	-0.37 ↑	8.75	-4.1	6.1	0.0	0.0	674.3	-32.7	52.7
A	MDC HOLDINGS	NY-MDC 5	19190	7.15	0.40 ↑ SEP	2.05	13.75X	0.7	17.0	6.7	2.9	92.3	28.7	263.9
B	MISSION WEST PR	AS-MSW 6	1553	11.29	0.28 AUG	0.35	10.63	-2.3	34.9	30.4	2.6	-5.9	3.1	16.5
C	NATIONAL ENTRPRS	NY-NEI 11	7106	2.54	0.00 SEP	0.10	4.50	9.1	0.0	45.0	0.0	77.2	3.9	32.0
C	NE MORTGAGE CO	AS-NM 8	5130	2.52	0.20 SEP	0.80 ↑	7.63	-10.3	-25.6	9.5	2.6	202.6	31.7	39.1
B	LP-NEWHALL INV PROP	NY-NIP 7	4440	3.04\$	1.30 SEP	7.22	9.25	1.4	-25.3	1.3	14.1	204.3	237.5	41.1
B	LP-NEWHALL LAND	NY-NHL 9	20483	5.84\$	0.86 SEP	2.03	32.88	-0.4	4.0	16.2	2.6	462.9	34.8	673.4
A	LP-NVHOMES LP	AS-NVH 6	9900	2.76	1.28 SEP	1.14	16.25	23.8	35.4	14.3	7.9	488.8	41.3	160.9
C	OAKWOOD HOMES	NY-OH 11	5718	9.06	0.06 SEP	1.14	13.38	0.9	-16.4	11.7	0.4	47.6	12.6	76.5
C	ORIOLE HOMES-A	AS-OHC-A 6	1957	9.42	0.15 SEP	0.73	7.00	0.0	0.0	9.6	2.1	-25.7	7.7	13.7
C	ORIOLE HOMES-B	AS-OHC-B 6	1984	9.42	0.20 SEP	0.73	7.13	0.0	5.6	9.8	2.8	-24.4	7.7	14.1
C	PARKWAY COMPANY	OC-PKWY 9	1678	23.44	0.40 ↑ SEP	1.90 ↑	20.25	-2.4	2.5	10.7	2.0	-13.6	8.1	34.0
* C	PATTEN CORP	NY-PAT 6	8210	2.30	0.00 SEP	0.89	18.75	-5.7	284.1	21.1	0.0	715.2	38.7	153.9
* C	PERINI INV PFD	AS-PNVP 13	1650	10.00	1.10 ← ---	0.00	11.88X	-2.8	0.0	0.0	3.3	18.8	0.0	19.6
* C	PERINI INV PR													

RANK		EXCH/ SYMBOL GROUP		SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE DEC 03	FROM- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$	VAL \$
C	RADICE CORP	NY-RI	6	5829	6.64	0.00	SEP	-0.97	8.00	-4.5	-45.3	0.0	0.0	20.5	-14.6	46.6
C	READING CO	OC-RDGC	7	3375	13.46	0.00	SEP	1.07↓	24.13	1.0	9.0	22.5	0.0	79.2	7.9	81.4
C	REALAMERICA CO	OC-RACO	7	3600	3.14	0.00	MAY	-0.12	2.63	0.0	-12.5	0.0	0.0	-16.4	-3.8	9.5
B	REDMAN INDUSTRIES	NY-RE	11	9755	7.31	0.32	←SEP	0.26	8.00	-1.5	-15.8	30.8	4.0	9.4	3.6	78.0
* LP	RETIREMTN LIV MTC	OC-RLIVZ	8	1264	22.76	2.16	SEP	2.04	22.63	0.6	-9.5	11.1	9.5	-0.6	9.0	28.6
*	RIDGEWOOD PROPS	OC-RWPI	7	996	34.77	0.00	AUG	2.83	24.00	3.2	2.1	8.5	0.0	-31.0	8.1	23.9
E	RIVER OAKS INDS	NY-ROI	11	12023	-0.16	0.00	SEP	-1.68↑	0.63	0.0	-81.5	0.0	0.0	0.0	0.0	7.5
C	ROCKWOOD NATL	PS-RNC	6	9682	2.82	0.00	SEP	1.01	3.13	0.0	-24.2	3.1	0.0	10.8	35.8	30.3
A	ROUSE CO#	OC-ROUS	7	31106	6.88\$	0.60	JUN	0.74	31.50X	-1.1	20.0	42.6	1.9	357.8	10.8	979.8
B	RYAN HOMES	NY-RYN	5	6950	22.97	1.20	SEP	3.43	45.63	-1.6	69.0	13.3	2.6	98.6	14.9	317.1
A	RYLAND GROUP	NY-RYL	5	12535	7.04	0.40	←SEP	1.88	19.38	10.7	31.4	10.3	2.1	175.2	26.7	242.9
B	SANTA FE SO PAC	NY-SFX	9	163068	34.17	1.00	SEP	1.53	30.75	-7.2	-11.8	20.1	3.3	-10.0	4.5	5014.3
C	SAUL (BF) REIT#	NY-BFS	7	5483	8.97\$	0.20	←JUN	-0.26	16.25	-4.4	0.8	0.0	1.2	81.2	-2.9	89.1
B	SECURITY CAPITAL	AS-SCC	8	5717	10.59	0.20	←JUN	-0.06	5.88	-4.1	-47.8	0.0	3.4	-44.5	-0.6	33.6
B	SKYLINE CORP	NY-SKY	11	11217	11.48	0.48	←NOV	0.98↑	14.75X	2.6	-9.9	15.1	3.3	28.5	8.5	165.5
D	SO ATLANTIC FIN	OC-SOAF	7	6148	2.93	0.00	SEP	0.81	8.00	-15.8	48.8	9.9	0.0	173.0	27.6	49.2
C	SOUTHLAND FINCL	OC-SFIN	7	16770	10.51	0.52	SEP	-1.79↓	15.38	-15.8	-26.8	0.0	3.4	46.3	-17.0	257.8
C	SOUTHWARK CORP	NY-SM	9	45702	9.64	0.24	SEP	1.21	8.50	-2.9	0.2	7.0	2.8	-11.8	12.6	388.5
C LP	SOUTHWEST RLTY#	AS-SWL	7	3442	7.64\$	0.00	SEP	0.49	2.75	-18.5	-70.3	5.6	0.0	-64.0	6.4	9.5
C	STARRETT HOUSING	AS-SHO	6	5917	4.31	0.00	SEP	-0.03↓	13.50	-6.1	-27.5	0.0	0.0	213.2	-0.7	79.9
B	STD PACIFIC	NY-SPF	5	11595	9.44	3.00	SEP	2.10	26.25X	-11.4	64.9	12.5	11.4	178.1	22.2	304.4
C	SUNLITE INC	OC-SNLT	9	3238	5.13	0.00	JUN	-0.34	2.88	9.5	-30.3	0.0	0.0	-44.0	-6.6	9.3
*	SUNSTATES CORP	OC-SUST	9	514	31.82	0.00	SEP	-5.52↓	11.88	2.2	8.0	0.0	0.0	-62.7	-17.3	6.1
C	THACKERAY CORP	NY-THK	9	5107	2.28	0.00	SEP	0.07	8.63	-8.0	-26.6	123.2	0.0	278.3	3.1	44.0
C	TIERCO GP INC	OC-TIER	7	2126	9.82	0.00	JUN	-1.06	6.50	0.0	-23.5	0.0	0.0	-33.8	-10.8	13.8
C	TOLL BROS	NY-TOL	5	10000	2.64	0.00	JUL	0.89	15.88	0.0	27.0	17.8	0.0	501.3	33.7	158.8
* LP	U.S. REALTY PTRNS	OC-USRLZ	7	1222	22.78	0.88	---	0.00	22.75	0.0	-9.0	0.0	3.9	-0.1	0.0	27.8
B	UP-UDC-UNIVRSL DEV	NY-UDC	6	10652	7.07	2.00	SEP	2.92	20.63X	-5.1	25.6	7.1	9.7	191.7	41.3	219.7
C	UNICORP AMER	AS-UAC	7	7529	13.29\$	0.60	←SEP	1.42	12.38X	-1.8	10.0	8.7	4.8	-6.9	10.7	93.2
C	UNION VALLEY CORP	AS-UVC	6	3967	1.98	0.00	SEP	0.87↓	6.50	-7.1	-16.1	7.5	0.0	228.3	43.9	25.8
*	US CAPITAL CORP	OC-USCC	6	8270	1.95	0.00	JUL	-1.44	1.13	12.5	-66.7	0.0	0.0	-42.3	-73.8	9.3
C	US HOME CORP	NY-UH	5	39813	5.49	0.00	SEP	-2.28	4.50	0.0	-21.7	0.0	0.0	-18.0	-41.5	179.2
Z	US SHELTER CORP	OC-USSS	10	9446	2.92	0.00	SEP	-0.47↓	1.75	-6.7	-57.6	0.0	0.0	-40.1	-16.1	16.5
* LP	VMS MORTGAGE INV	OC-VMLPZ	8	7629	8.80	1.08	JUN	0.96	9.75	-1.3	4.0	10.2	11.1	10.8	10.9	74.4
C	VQUEST INC	AS-VY	11	3849	7.26	0.00	AUG	0.41	5.63	-4.3	-10.0	13.7	0.0	-22.5	5.6	21.7
C	WASHINGTON CORP	PH-TWC.X	6	1987	4.74	0.10	SEP	-0.21↓	4.13	0.0	6.5	0.0	2.4	-13.0	-4.4	8.2
*	WASHINGTON HOME	AS-WHI	6	3152	8.08	0.00	OCT	2.49↑	10.75	-12.2	11.3	4.3	0.0	33.0	30.8	33.9
C	WEBB (DEL E) CORP	NY-WBB	9	7919	14.20	0.20	SEP	2.31	22.13	-3.8	4.7	9.6	0.9	55.8	16.3	175.2
L	WESPAC INVSTR	OC-WESP5	12	5954	2.22	0.00	MAY	-1.02	3.25	-10.3	-50.0	0.0	0.0	46.4	-45.9	19.4
* LP	WINTHROP INS MTC	AS-WMI	8	3868	13.83	1.68	SEP	2.77	16.00	0.0	-17.9	5.8	10.5	15.7	20.0	61.9
B	WRITER CORP	OC-WRTC	6	4135	8.75	0.15	SEP	0.18	6.75	0.0	-20.6	37.5	2.2	-22.9	2.1	27.9
B	ZIMMER CORP	AS-ZIM	11	4662	3.47	0.00	SEP	-1.04	3.75	11.1	-25.0	0.0	0.0	8.1	-30.0	17.5

COMPARATIVE REALTY STOCK GROUP AVERAGE 12/17/86

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	-% CHANGE DEC 03	FROM JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL(000)
1 PROPERTY REITS	44	4	48	6271	10.82	1.22	1.15	15.59	-2.4	7.8	13.5	7.8	44.1	10.7	5042.4
2 PROP & MTG COMB REITS	21	4	25	5693	13.03	1.35	0.96	14.52	-2.1	-1.8	15.1	9.3	11.5	7.4	2123.7
3 MORTGAGE REITS	16	1	17	5165	14.25	1.60	1.50	16.18	-1.7	10.1	10.8	9.9	13.6	10.5	1589.9
4 PARTICIPATING MTG REITS	12	0	12	8220	12.62	1.18	1.25	12.93	0.0	-3.3	10.4	9.1	2.4	9.9	1411.9
5 MAJOR HOMEBUILDERS	8	4	12	16906	10.69	0.48	1.50	18.98	-1.5	31.8	12.6	2.5	77.5	14.0	3137.1
6 OTHER BLDRS/DEVELOPERS	9	26	35	5966	5.61	0.13	0.41	8.15	-4.2	-1.2	20.0	1.6	45.1	7.3	1816.7
7 INCOME PROP BLDG/OWNR	17	11	28	6716	11.29	0.68	1.03	17.42	-1.8	6.3	16.9	3.9	54.2	9.1	3404.1
8 MORTGAGE BANKER/FINANCE	12	6	18	12710	10.31	0.75	1.23	15.03	-0.2	5.4	12.3	5.0	45.7	11.9	5195.6
9 DIVERSIFIED RLTY&HOLDING	13	8	21	22563	13.33	0.31	0.96	17.71	-1.8	12.0	18.4	1.7	32.9	7.2	13883.5
10 RLTY SVCS/SYNDICATORS	2	4	6	8186	6.61	0.04	-0.32	7.71	-5.9	-26.0	0.0	0.5	16.7	-4.8	347.1
11 MANUFACTURED HOUSING	4	6	10	12387	5.98	0.14	0.24	8.91	0.1	-11.3	37.3	1.5	49.0	4.0	1155.1
L LIQUIDATING COMPANIES	0	1	1	5954	2.22	0.00	-1.02	3.25	-10.3	-50.0	NC	NC	46.4	NC	19.4
P PREFERRED STOCKS	1	0	1	1650	10.00	1.10	0.00	11.88	-5.0	0.0	NC	NC	18.8	NC	19.6
OVERALL AVERAGE			234	9074	10.54	0.79	0.96	14.31	-2.0	5.5	14.8	5.5	35.8	7.5	39146.1
DOW JONES INDUSTRIALS							118.80	1918.31	-1.5	24.0	16.1	3.6			
STANDARD & POOR'S 500							14.61	247.56	-2.5	17.2	16.9	3.3			
DOW JONES UTILITIES							14.91	210.67	-1.5	20.5	14.1	7.5			

REALTY STOCK RANKINGS

REALTY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate how each stock stands fundamentally in terms of its past, present and future. Rankings from "A" (highest) to "E" (lowest), shown in the first column in the statistical tables, are assigned based on:

(1) **Earnings and dividend** growth and stability over the past five years (the past - roughly 40%); Companies with over two but less than five years of operations score lower here, hence have lower overall Rank.

(2) **Financial measures** including leverage and liquidity and match of asset/liability maturities in the balance sheet (the present - about 40%); and

(3) **Exposure** to outside economic and competitive forces and management's ability to control its business destiny thru leverage and planning (our subjective estimate of the future - 20%).

Being rooted in historical factual analysis, Rankings are not based upon current price and thus are **not intended as recommendations**. A highly-Ranked stock may become overpriced or underpriced during trading, and vice versa. Rankings are given without regard to whether the entity subscribes to RSR. Other entries in the Ranking column denote:

--An asterisk (*) denotes stocks which cannot be ranked because of insufficient (generally less than two years) operating history in present form, or newly organized companies, or incomplete or non-comparable data.

--(Z) denotes entities which currently retain Audit or its investment banking affiliate, Campbell & Dillmeier, for specific assignments; and entities for which C&D is acting as non-retainer intermediary for a publicly announced proposed transaction.

--(L) denotes non-ranked liquidating entities.

NOTES TO COMPARATIVE STATISTICS - PAGES 6-8

All facts are on a per-share basis except computed ratios and market values. Each stock is classified in an industry group, numbered as in the Comparative Group Average Table on Page 8. Only historical data, or annualizations, are used; **earnings are not estimates**.

Annualized Dividend and Yield: The latest quarterly (or monthly) payout multiplied by 4 or 12. Since REITs must pay out 95% of EPS to be exempt from Federal income taxes, REIT dividends may vary.

Earnings and Price/Earnings Ratio: Computed from the latest (trailing) 12 months' earnings per share, except for cash flow companies. **Cash flow entities**, denoted with symbol "M" after their name, are those for whom net cash flow is the most meaningful measure of results. Net cash flow (defined as net income plus depreciation and partnership payments less mortgage amortization) on a per share basis (CFS) is used in place of earnings. Accumulated depreciation is added to historic book value for consistency.

Book value per share is tangible net worth after deducting intangibles (unamortized debt discount and expenses, etc.) for all companies except the following: INTANGIBLES PER SHARE (MAINLY GOODWILL) NOT DEDUCTED ARE: Amrep/\$1.18; Great American \$7.59; Landmark-LL/\$14.46; Johnstown Am./\$9.01; Security Cap./\$20.70; Vquest/\$2.08; Thackeray/\$3.15; Ameribanc Inv./\$4.44; First City/\$24.94; Integrated Res./\$5.05; Reading/\$1.99; Equitec/\$6.15; Lomas Fincl./\$11.38; Grubb & Ellis/\$4.37. Book value does not reflect asset value appreciation, for which see Appraised Value table, p. 5.

SYMBOLS & ABBREVIATIONS

Arrows show direction of new EPS, dividend, or Rankings.

= Net Cash Flow; See above definition. @ Gross Cash Flow.

Last bid prices are shown for over-the-counter stocks.

Exchanges: PH=Philadelphia; BO=Boston; PS=Pacific.

VJ=in bankruptcy reorganization; Y=Emerged from Ch. XI.

P=Paired stock. \$=Appraised value reported; see p. 5.

F = Finite life REIT. LP = Limited partnership.